

**2/21/77**

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## WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
MEMO W/ Attach	<del>From Stu Eizenstat To President Carter (13 pp) Re:</del> <del>Discussion of St. Lawrence Seaway with P.M.</del> <del>Trudeau</del>  "OPENED PER RAE 12/18/12"	<del>2/16/89</del>	A

## FILE LOCATION

Carter Presidential Papers- Staff Offices Office Staff Sec.-Pres.  
Handwriting File 2/21/77 closed 6/20/89 ~~XXXXXX~~

## RESTRICTION CODES

- (A) Closed by Executive Order 12065 governing access to national security information;  
(B) Closed by statute or by the agency which originated the document.  
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THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

ARRIVAL CEREMONY FOR  
THE RIGHT HONORABLE THE PRIME MINISTER OF CANADA  
AND MRS. PIERRE ELLIOTT TRUDEAU

Monday - February 21, 1977

From: Tim Kraft

SEQUENCE

3:28 p.m.

You depart Oval Office and proceed to Diplomatic Reception Room where Mrs. Carter will join you.

Following announcement, you and Mrs. Carter proceed out the Diplomatic Reception Room. You position yourselves across the driveway at the beginning of the red carpet.

NOTE: Mrs. Carter will be given a bouquet of roses to present to Mrs. Trudeau.

3:30 p.m.

Motorcade carrying Prime Minister and Mrs. Trudeau arrives Diplomatic entrance as Military Band strikes up a fanfare.

NOTE: Driveway will be lined with a cordon of troops carrying the national colors.

You and Mrs. Carter are introduced to Prime Minister and Mrs. Trudeau by the Acting Chief of Protocol, Stuart W. Rockwell. You, in turn, introduce the visitors to:

Dep. Secretary-Designate and  
Mrs. Warren Christopher  
Admiral and Mrs. Holloway

2.

You escort Prime Minister Trudeau onto the platform and stand facing the troops with the Prime Minister to your right.

Mrs. Carter escorts Mrs. Trudeau to a position to the right of the platform, in front of the Official Party. Mrs. Trudeau stands to Mrs. Carter's right with Mrs. Rockwell directly behind.

Ruffles and Flourishes  
19-Gun Salute  
National Anthem of Canada  
U.S. National Anthem

You escort the Prime Minister toward the Commander of Troops. He should be on the left closest to the troops. The Troop Commander is in the middle.

NOTE: Your cue for escorting Prime Minister Trudeau down to the Commander of Troops to inspect the troops will be the Commander's report, "Sir, the Honor Guard is formed."

Inspection begins at the right front of the band and proceeds along the front rank of troops. You render salutes when passing in front of the Colors.

At the left flank of the troops, you turn and proceed toward the platform.

You escort the Prime Minister onto the platform and take your original positions facing the troops while the Commander of Troops issues commands to the troops.

You and Prime Minister Trudeau move to the microphone and face the press area.

PRESIDENTIAL REMARKS.

FULL PRESS COVERAGE

Remarks by Prime Minister Trudeau.

3:40 p.m.

You usher your guest back to the original platform position facing the troops to await the command, "Sir, this concludes the ceremony."

3:42 p.m.

You and your guest depart the platform and join Mrs. Carter and Mrs. Trudeau.

You lead the way up the right outside staircase to the portico -- with the Prime Minister to your right and Mrs. Carter and Mrs. Trudeau following.

3:44 p.m.

You will pause at the center of the South Portico balcony for a photograph. The order is as follows:

Prime Minister Trudeau to your right,  
then Mrs. Trudeau, then Mrs. Carter.

You enter the Blue Room and a receiving line is formed in the following order:

President Carter  
Prime Minister Trudeau  
Mrs. Carter  
Mrs. Trudeau  
Dep. Secretary-Designate Christopher  
Mrs. Christopher  
Adm. Holloway  
Mrs. Holloway

4.

Members of the Official Party and Welcoming Committees are escorted into the Blue Room and are presented to the receiving line.

3:48 p.m.

Following a brief visit, you, Prime Minister Trudeau, and Deputy Secretary-Designate Christopher depart en route Oval Office for meeting.

NOTE: Members of the Official Party and the Welcoming Committee remain in the Blue Room for coffee.

4:00 p.m.

Your meeting with Prime Minister Trudeau begins.

# # # # #

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Secretary Vance  
Jody Powell  
Jim Fallows  
Zbigniew Brzezinski

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc:Secretary Vance thru Zbigniew  
Brzezinski.

THE WHITE HOUSE  
WASHINGTON

cc

            
Zbig → VANCE

Toby

↪

Fallows



THE WHITE HOUSE  
WASHINGTON

2-19-77

To 369, Today, Cy, Follows

The next fireside chat  
should be on foreign/defense  
matters.

Begin planning accordingly -

J. O.

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2/21/77  
Cabinet agenda

THE WHITE HOUSE  
WASHINGTON

- > Weekly reports
- > Appointee confirmations
- > Anti-inflation
- > Trudeau
- > Paperwork. Regulation/Reports
- Legislative agenda
  - > Regulatory reform
  - > Hiring <sup>(personnel)</sup> limits
  - > Speed reading
  - > Viet Nam discharge review
  - > Intra dept briefings (krieps)
  - > HUD/DoC housing overlap
  - > Energy report
  - Screening foreign doctors
  - Chicago school case
  - Nat gas investigation
  - Access to tax returns?

- > Early policy review Energy, Welfare
- > Tax studies
- > OSHA
- > Siting Picketing
- > Water resources
- > Drought
- > Mass Xit Legis.
- Oil pollution liability - DOT?
- Cargo preferences - DOT?
- > Auto economy standards
- > WH Conf Balanced Nat Growth & Econ Dev.
- Incentive rewards
- Goals for America
- Volunteerism
- > Gov. Conference

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THE WHITE HOUSE

- > Nato - defense
- > Regulatory CAB - ICC
- > Autos - fuel econ. air bay. air emission
- > Hwy construction
- > Energy/Interior → D.E
- > Energy presentation with other next
- > Mexico letter

Advis Com

Messing

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THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Frank Moore

The attached is forwarded to  
you for your information.

Rick Hutcheson

Re: Letter to Tip O' Neill  
2/20/77.

---

THE WHITE HOUSE  
WASHINGTON

rick --

original given to frank moore.

copy is for your information  
and files. (please make one  
for frank too)

-- ssc

cc Frank

THE WHITE HOUSE

WASHINGTON

2-20-77

To Tip O'Neill

I really appreciate  
the comments you made  
yesterday on Face the  
Nation. It was a  
fine performance.

Congratulations!

Jimmy

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Stu Eizenstat

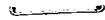
The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Status of Consumer  
Protection Agency.



**THE WHITE HOUSE**  
**WASHINGTON**



STM

THE WHITE HOUSE  
WASHINGTON

2-21-77

Stu -

Status of Consumer  
Protection Agency  
bill(s) ?

J

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for Preservation Purposes**

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Hugh Carter

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Bob Lipshutz  
Richard Harden

Re: Newspapers

THE WHITE HOUSE  
WASHINGTON

Hugh Carter  
Lipshutz  
Harden

THE WHITE HOUSE  
WASHINGTON

2-20-77

T. Hugh Carter

a) Eliminate:

\* All Sunday newspapers to  
my Oval Office

b) Cut Wash Post on  
Mansion 2<sup>nd</sup> floor to  
one - weekdays & Sunday

J

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for Preservation Purposes

THE WHITE HOUSE  
WASHINGTON

Februart 21, 1977

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Dick Moe  
Bob Lipshutz  
Jody Powell  
Hamilton Jordan  
Frank Moore

Re: Election Reform

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

ok  
J

MEMORANDUM FOR: THE PRESIDENT  
FROM: Stu Eizenstat  
SUBJECT: Election Reform

Stu

As you requested, I have spoken to Dick Moe about universal voter registration. He will have for you early next week a memorandum discussing all the basic options, including both the North Dakota and Minnesota approaches.

At the staff level, we have divided the staff work on election reform with Dick taking the lead on universal voter registration and with myself and my staff taking the lead on Congressional campaign financing and direct Presidential elections. We intend to prepare a memorandum for you by the end of next week discussing a coordinated message on election reform.

**Electrostatic Copy Made  
for Preservation Purposes**



OFFICE OF THE VICE PRESIDENT  
WASHINGTON

February 19, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: DICK MOE *DM*  
RE: Universal Voter Registration Proposal

Stu told me you had questions regarding the North Dakota registration system and the legal or constitutional vulnerability of our proposal. He asked me to send you this memo on these two matters.

1. Comparison with North Dakota

Our registration proposal would produce a system very similar to the North Dakota approach, but with the addition of safeguards against fraud. These protections are necessary to make the system acceptable in many parts of the country, particularly in large cities. Even in North Dakota, legislation which has recently passed the state house and which is pending in the state senate moves in this direction.

In each North Dakota precinct, a poll list is maintained containing the names of those who have voted in previous elections. A new voter, however, can go to the polling place, have his name placed on the list, and -- unless he is challenged -- cast his vote without showing any identification or swearing an oath. If he is challenged, he is required to sign an affidavit form swearing that he is qualified. New voters apparently often do show a drivers license or other identification, but they are not required to do so. Once they sign the affidavit, they must be allowed to vote. Ballots cast by such persons are mixed in with all the others and the affidavit forms are turned in to the county auditors so that the affiant's age, residence, etc., can be checked if the local officials choose to do so. A much larger number of affidavits are signed in North Dakota's college towns than in other parts of the state.

The bill pending in the state legislature was prompted by complaints of sloppy record-keeping in the maintenance of the poll lists. As it passed the state house, it would



provide that a challenged voter would have to show a drivers license or other form of identification and that he would have to fill in on the affidavit form his age, current address, previous address, and place of employment. County auditors would be required to check a certain percentage of these for accuracy. If the election judges and poll watchers did not choose to challenge a voter, however, he could still have his name placed on the list and be allowed to vote without showing any identification or swearing an oath.

*I agree*

It is our belief that the opponents of our proposal will focus almost exclusively on the potential for fraud and abuse. That was the experience of the post card registration debate. The potential for abuse is much greater, of course, under the North Dakota plan than under ours, and yet we think our plan will be just as effective in guaranteeing unimpeded access to the polls. It's my own judgment that the North Dakota plan would be unworkable in many areas, particularly the large cities, and that it would be politically unrealistic to try to get it enacted on the Hill, particularly now that North Dakota appears to be tightening up its system. I'm sorry I didn't spell this out more clearly in the earlier memo.

## 2. Constitutional Issues

The Constitution gives the states the power to establish the qualifications for voters in federal elections. It does so by providing that voters in House and Senate races shall have the same qualifications which are required of those who vote for members of the most numerous branch of the state legislature and by providing that the states shall determine the manner of choosing electors for President and Vice President.

*Q*

However, the Constitution also provides that the Congress may establish the times, places, and manner of holding elections for Congress and the time of choosing electors for President and Vice President.

The Supreme Court has not addressed the issue directly, but it did uphold federal legislation reducing the voting age to eighteen in federal elections and abolishing durational residency requirements for voting in Presidential elections. Also, in upholding the application of the Federal Corrupt Practices Act to Presidential elections, the Court

took a broad view of the power of Congress to protect the selection process for Presidential electors against impairment or corruption.

In the Constitution, there is no grant of authority to the Congress to regulate any aspect of state and local elections. The power to regulate them is therefore reserved to the states. In many federal programs, however, it has been found to be constitutional for the Congress to make funds available to the states on the condition that they do something which the Congress cannot constitutionally require them to do.

In short, we do have some constitutional problems because we are treading new ground and as a result we will almost surely get a court challenge if our bill is enacted. We think we have by far the better side of the argument, however, and are working closely with Justice to get the best possible constitutional basis and statutory language for our proposal.

OFFICE OF THE VICE PRESIDENT  
WASHINGTON

February 10, 1977

TO: The President  
FROM: The Vice President *W*  
RE: WARNKE NOMINATION

The Warnke nomination is now clearly regarded by the Press and by many opposed to confirmation as a symbolic test vote on arms control policy. The vote may well set the domestic political and public relations tone for future negotiations.

For these reasons, I believe it important that an all-out effort be made to assure not only a Senate majority for confirmation, but at least, and hopefully in excess of, the two-third's Constitutional majority which would be required for a future arms control treaty ratification.

My best present estimate is that there would be about 57 votes for Warnke's confirmation if the vote were held today. As a result of my discussion at lunch today with Alan Cranston, Frank Moore and Doug Bennett, I believe it would be especially helpful if you could talk to those Senators on the attached list.

I believe it especially important that you call Bob Byrd and Sam Nunn as soon as possible. While Bob Byrd may not be willing to announce that he will vote for Warnke, it would be especially helpful if he could say publicly that Warnke has made a favorable impression and acquitted himself well at his confirmation hearings.

If Sam Nunn could be persuaded to vote for confirmation, I have no doubt that the vote for Warnke would be overwhelming and his opposition reduced to a handful of votes. Sam might be receptive to an argument that a divisive and public Senate Floor debate on the nomination, whatever its outcome, would be detrimental to future arms control negotiations.

Memo to  
the President

- 2 -

February 10, 1977

In addition to the foregoing, Alan Cranston, Frank Moore and I are contacting other senators, including those listed below.

We will coordinate our efforts and report to you on a daily basis.

Sam Hayakawa  
John Heinz  
Fritz Hollings  
Warren Magnuson \*\*  
John Melcher  
Bob Morgan  
Bob Packwood  
Jim Pearson  
Dick Schweiker  
Bob Stafford  
Lowell Weicker  
Lawton Chiles  
John Danforth  
Wendell Ford  
Orin Hatch  
Ted Stevens  
Bill Roth  
Ed Zorinsky

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

The Vice President

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Warnke Nomination

T

—

CC  
VP

WARNKE NOMINATION

Suggested Contacts by the President

Robert Byrd ✓  
Sam Nunn ✓  
Henry Bellmon ✓  
Howard Cannon ✓  
Jim Eastland ✓  
John Glenn ✓  
Bennett Johnston ✓  
Russell Long ✓  
John McClellan ✓  
Pat Moynihan ✓  
Jennings Randolph\* ✓  
Jack Schmitt\*\* ✓  
John Sparkman\*\*\* ✓  
Dick Stone ✓  
Herman Talmadge  
Milton Young ✓

*Hatch - Utah ✓*

\* It would be helpful to invite Jennings Randolph to the Oval Office to discuss energy policy.

\*\* Jack Schmitt might be invited to the Oval Office for a discussion on nuclear issues. He has given a lot of thought to this and related issues.

\*\*\* John Sparkman should be thanked for his efforts as Chairman of the Foreign Relations Committee.

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CC —

Lipschutz



THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Bob Lipshutz

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Installation of Security  
Aids at the Jack Carter  
Residence, Calhoun, Ga.

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE

WASHINGTON

February 18, 1977

MEMORANDUM FOR THE PRESIDENT  
SECRETARY BLUMENTAHL

FROM: Bob Lipshutz *BL*  
RE: Installation of Security Aids at the  
Jack Carter Residence, Calhoun, Georgia

Attached is a communication from the Secret  
Service. I recommend that this be approved.

Please advise.

\_\_\_\_\_ Approve

\_\_\_\_\_ Disapprove

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*What is a 20-zone  
annunciator? Try to  
eliminate it -*  
*J*

DEPARTMENT OF THE TREASURY  
UNITED STATES SECRET SERVICE



FILE 116-640.0

February 17, 1977

MEMORANDUM TO: Robert Lipshutz  
Counsel to The President

FROM: SAIC Richard E. Keiser *REK*  
Presidential Protective Division

SUBJECT: Installation of Security Aids at the Jack Carter  
Residence, Calhoun, Georgia

I have been asked by Jack Carter to furnish you the attached, which outlines the Protective Aids this Service is installing at Jack's Residence in Calhoun, Georgia.

As you will see, all equipment will be recoverable for future use by this Service with the exception of \$25.00 worth of sakrete and mounting posts.

Encl.

LS:amr

BUY U. S. SAVINGS BONDS AND SAVE



# ANCE, ALTERATIONS, EQUIPMENT AND SERVICES S INVOLVING PROTECTIVE OPERATIONS

2 GENERAL INFORMATION		PAGE NO. 1 OF 1 PAGES
NAME OF PROTECTEE <b>Mr. Jack Carter</b>		FINANCIAL CODE (FMD USE ONLY)
NAME OF SITE LOCATION <b>Jack Carter residence, Calhoun, GA</b>		DATE OF REQUEST <b>1/27/77</b>
<input type="checkbox"/> GOV'T OWNED <input checked="" type="checkbox"/> PRIVATELY OWNED <input type="checkbox"/> GOV'T LEASED <input type="checkbox"/> PRIVATELY LEASED		FILE NO. <b>620.0</b>
GENERAL PROJECT TITLE <b>Protective Aids - Jack Carter Residence</b>		
SUMMARY OF PROPOSAL <b>Install alarms in the residence of Jack Carter.</b>		
NAME OF REQUESTOR <b>Carl Smith (Jack Carter Detail)</b>		OFFICE <b>Presidential Protective Division (JCD)</b>
CONTACT FOR ADDITIONAL INFORMATION <b>Richard E. Kerner</b>	TELEPHONE NO. <b>456-2534</b>	REQUIRED COMPLETION DATE <b>ASAP</b>

## B. SUMMARY JUSTIFICATION AND SPECIFICATIONS FOR PROJECT (CONTINUE ON PLAIN BOND PAPER)

Magnetic sensors for door alarms (6)	\$24.00
Four sets of Optigard with transformers	2200.00
Three switches for panic/emergency alarms	3.00
Pyrotronics CRF fire alarm system with five heads	385.00
Twenty-four mushroom low-level lights & extension cords	400.00
Twenty-zone AMP annunciator with power supply	10200.00
Cable, hardware, mounting posts, sakrete (ready-mix concrete)	200.00
TOTAL ESTIMATED COST <b>\$13,412.00</b>	

## C. PROPOSED RECOVERY OF EQUIPMENT AND/OR RESTORATION REQUIRED

<b>All items are recoverable with the exception of the sakrete and mounting posts. (\$25.00)</b>
D. CONCURRENCE OF PROTECTEE OR DESIGNEE (PRIVATELY OWNED/LEASED PROPERTY ONLY)
SIGNATURE
DATE
TOTAL ESTIMATED COST

## E. APPROVALS

OPERATIONAL			
SAIC (SIGNATURE)	DATE <b>1/27/77</b>	APPROPRIATE ASSISTANT DIRECTOR (SIGNATURE)	DATE
ADMINISTRATIVE			
AD-ADMINISTRATION (SIGNATURE)	DATE		
AGENCY			
DEPUTY DIRECTOR (SIGNATURE)	DATE		
F. AVAILABILITY OF FUNDS CERTIFICATION (FMD USE ONLY)			

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Tim Kraft

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Fran Voorde

Re: Camp David

THE WHITE HOUSE  
WASHINGTON

Tia Krayt  
Fran Verde

THE PRESIDENT HAS SEEN.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 18, 1977

TO: Tim Kraft  
FROM: Fran *fran*  
RE: Camp David ---

*To Camp David*

OPTION 1.

Friday, Feb. 25

4:30 p.m. Depart South Lawn

5:05 p.m. Arrive Camp David

OPTION 2.

Saturday, Feb. 26

8:00 a.m. Depart South Lawn

8:35 a.m. Arrive Camp David

Option 3.

*From Camp David*

OPTION 1.

Sunday, Feb. 27

4:30 p.m. Depart Camp David

5:00 p.m. Stop at Andrews (Mrs. Carter  
departing for New York)

5:20 p.m. Arrive South Lawn

OPTION 2.

Stop at White House first and then  
helicopter takes Mrs. Carter to Andrews.

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THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Stu Eizenstat

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Bob Lipshutz  
Jack Watson  
Charles Schultze

Re: Sec. Krep's letter re  
White House Conference on  
Balanced Nat. Growth and  
Economic Development.



THE WHITE HOUSE  
WASHINGTON

The attached is forwarded to  
you for your information.

The Vice President

Midge Costanza

— Stu Eizenstat

Hamilton Jordan

— Bob Lipshutz

Frank Moore

Jody Powell

— Jack Watson

— Charles Schulze

~~Rick Hutcheson~~

**THE WHITE HOUSE**  
WASHINGTON

Mr. President:

Lipshutz concurs with Stu.

Watson comments: "While I have no objection to Commerce being named lead agency for the White House Conference on Balanced National Growth and Economic Development, I believe it is important that Stu Eizenstat and I work with Commerce to assure that the numerous other mandated national growth policy planning processes be related to the White House Conference. At present, separate but overlapping processes are required of at least HUD, USDA, CEQ, CEA, and ARC."

---Rick

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

ok  
J

February 16, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: Stu Eizenstat *Stu*  
SUBJECT: Secretary Kreps' Letter of  
February 11, 1977

The attached letter was sent directly to me from Secretary Kreps for your attention. I have reviewed the letter and I agree with Secretary Kreps that the Commerce Department be designated as the lead agency and that, if she feels it is necessary, the date be extended to early 1978.

I will cooperate fully with her and will bring in Charles Schultze to make sure he is fully involved.

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for Preservation Purposes**

THE SECRETARY OF COMMERCE  
WASHINGTON, D.C. 20230

xc: Ginsburg

PRIORITY

February 11, 1977

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

You are authorized and requested by Title II of the Public Works and Economic Development Act Amendments of 1976 (PL 94-487), approved October 12, 1976, to call a White House Conference on Balanced National Growth and Economic Development. The purpose of the Conference is ". . . to develop recommendations for further action toward balanced national growth and economic development."

The legislation calls for the White House Conference to be planned and conducted under the direction of the Domestic Council (your Assistant for Domestic Affairs and Policy) with the cooperation and assistance of Federal agencies and regional commissions.

The legislation carries the following timetable:

- Call White House Conference by October 12, 1977
- Submit report to Congress on Conference within six months
- Submit legislative proposals and recommended administrative changes to Congress within three months after the report on the Conference

The President is also authorized:

- To assist the States in having State-level conferences to prepare for the White House Conference
- To establish an Advisory Committee on the White House Conference to include the Secretaries of Commerce, Agriculture and Housing and Urban Development among its fifteen members.

- To engage necessary personnel to provide staff support for the Conference and follow-up actions.

Members of my staff have begun preliminary work on the Conference. No other organizing work for the Conference has been carried out to date.

I testified at my confirmation hearing that the Conference presents us with an opportunity to address issues of considerable importance to the future of our Nation. In order to assure adequate preliminary work by the States and the Federal departments, it will be necessary to request an extension of six months in the timetable.

I recommend that you take the following actions immediately:

- Designate the Commerce Department as the lead agency.

Agree ☒

Disagree ☐

- Authorize me to seek an extension of the date for the Conference to early 1978.

Agree ☒

Disagree ☐

We are ready to proceed upon your direction and will coordinate development of the goals, structure and mechanics of the Conference in cooperation with your Assistant for Domestic Affairs and Policy and other Federal agencies and organizations.

Respectfully,

  
Juanita M. Kreps

CC: Stu Eizenstat, Assistant to the President  
for Domestic Affairs and Policy

THE WHITE HOUSE

WASHINGTON 2/21

Date: February 17, 1977

MEMORANDUM

**FOR ACTION:**

Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson  
Charles Schultze

**FOR INFORMATION:**

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Stu Eizenstat memo 2/16/77 re  
Secretary Kreps' Letter of  
February 11, 1977 re a White  
House Conference on Balanced  
National Growth and Economic  
Development.

**YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:**

**TIME:** 11:00 A.M.

**DAY:** Saturday

**DATE:** February 19, 1977

**ACTION REQUESTED:**

☐ Your comments

Other:

**STAFF RESPONSE:**

☐ I concur.

☐ No comment.

*Please note other comments below:*

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

THE WHITE HOUSE  
WASHINGTON

**STAFF**

The attached is forwarded to  
you for your information.

The Vice President

Midge Costanza

Stu Eizenstat

Hamilton Jordan

Bob Lipshutz

Frank Moore

Jody Powell

Jack Watson

*Schulke*

Rick Hutcheson

February 17, 1977

MEMORANDUM

**FOR ACTION:**

~~Bob Lipshutz~~  
Frank Moore  
Jody Powell  
Jack Watson  
Charles Schultze

**FOR INFORMATION:**

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Stu Eizenstat memo 2/16/77 re  
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TO THE STAFF SECRETARY BY:**

**TIME:** 11:00 A.M.

**DAY:** Saturday

**DATE:** February 19, 1977

**ACTION REQUESTED:**

☐ Your comments

**Other:**

**STAFF RESPONSE:**

☒ I concur.

☐ No comment.

*Please note other comments below:*

*ES*

*2/17/77*

**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



**FOR ACTION:**

Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson  
Charles Schultze

**FOR INFORMATION:**

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Stu Eizenstat memo 2/16/77 re  
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February 11, 1977 re a White  
House Conference on Balanced  
National Growth and Economic  
Development.

**YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:**

**TIME:** 11:00 A.M.

**DAY:** Saturday

**DATE:** February 19, 1977

**ACTION REQUESTED:**

☐ Your comments

**Other:**

**STAFF RESPONSE:**

☒ I concur.

☐ No comment.

*Please note other comments below:*

While I have no objection to Commerce being named lead agency for the White House Conference on Balanced National Growth and Economic Development, I believe it is important that Stu Eizenstat and I work with Commerce to assure that the numerous other mandated national growth policy planning processes be related to the White House Conference. At present, separate but overlapping processes are required of at least HUD, USDA, CEO, CEA, and ARC.


**PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.**

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THE WHITE HOUSE

WASHINGTON

February 16, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: Stu Eizenstat   
SUBJECT: Secretary Kreps' Letter of  
February 11, 1977

The attached letter was sent directly to me from Secretary Kreps for your attention. I have reviewed the letter and I agree with Secretary Kreps that the Commerce Department be designated as the lead agency and that, if she feels it is necessary, the date be extended to early 1978.

I will cooperate fully with her and will bring in Charles Schultze to make sure he is fully involved.

THE SECRETARY OF COMMERCE  
WASHINGTON, D.C. 20230

xc: Ginsburg

PRIORITY

February 11, 1977

The President  
The White House  
Washington, D.C. 20500

Dear Mr. President:

You are authorized and requested by Title II of the Public Works and Economic Development Act Amendments of 1976 (PL 94-487), approved October 12, 1976, to call a White House Conference on Balanced National Growth and Economic Development. The purpose of the Conference is ". . . to develop recommendations for further action toward balanced national growth and economic development."

The legislation calls for the White House Conference to be planned and conducted under the direction of the Domestic Council (your Assistant for Domestic Affairs and Policy) with the cooperation and assistance of Federal agencies and regional commissions.

The legislation carries the following timetable:

- Call White House Conference by October 12, 1977
- Submit report to Congress on Conference within six months
- Submit legislative proposals and recommended administrative changes to Congress within three months after the report on the Conference

The President is also authorized:

- To assist the States in having State-level conferences to prepare for the White House Conference
- To establish an Advisory Committee on the White House Conference to include the Secretaries of Commerce, Agriculture and Housing and Urban Development among its fifteen members.

- To engage necessary personnel to provide staff support for the Conference and follow-up actions.

Members of my staff have begun preliminary work on the Conference. No other organizing work for the Conference has been carried out to date.

I testified at my confirmation hearing that the Conference presents us with an opportunity to address issues of considerable importance to the future of our Nation. In order to assure adequate preliminary work by the States and the Federal departments, it will be necessary to request an extension of six months in the timetable.

I recommend that you take the following actions immediately:

- Designate the Commerce Department as the lead agency.

Agree ☐

Disagree ☐

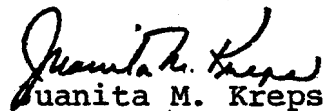
- Authorize me to seek an extension of the date for the Conference to early 1978.

Agree ☐

Disagree ☐

We are ready to proceed upon your direction and will coordinate development of the goals, structure and mechanics of the Conference in cooperation with your Assistant for Domestic Affairs and Policy and other Federal agencies and organizations.

Respectfully,

  
Juanita M. Kreps

CC: Stu Eizenstat, Assistant to the President  
for Domestic Affairs and Policy

February 17, 1977

MEMORANDUM

**FOR ACTION:**

Bob Lipshutz  
~~Frank Moore~~ FM  
Jody Powell  
Jack Watson  
Charles Schultze

**FOR INFORMATION:**

**FROM:** Rick Hutcheson, Staff Secretary

**SUBJECT:** Stu Eizenstat memo 2/16/77 re  
Secretary Kreps' Letter of  
February 11, 1977 re a White  
House Conference on Balanced  
National Growth and Economic  
Development.

**YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:**

**TIME:** 11:00 A.M.

**DAY:** Saturday

**DATE:** February 19, 1977

**ACTION REQUESTED:**

☐ Your comments

**Other:**

**STAFF RESPONSE:**

☐ I concur.

☒ No comment.

*Please note other comments below:*

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February 17, 1977

MEMORANDUM

**FOR ACTION:**

Bob Lipshutz  
Frank Moore  
~~Jody Powell~~  
Jack Watson  
Charles Schultze

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**ACTION REQUESTED:**

☐ Your comments

**Other:**

**STAFF RESPONSE:**

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☒ No comment.

*Please note other comments below:*

Per ww

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THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Bob Lipshutz

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Howard Samuels and Program  
for Volunteerism

THE WHITE HOUSE  
WASHINGTON

To Sam Brown

The President asked for  
your comments on the  
attached. Please  
comment briefly, and  
get this back to me  
as soon as possible -  
within 24 hours.

Thanks -

Rick Hutcheson  
Staff Secretary



THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

February 16, 1977

*check w Sam  
Brown for comment  
J*

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT J. LIPSHUTZ *RL*

rogram for

THE WHITE HOUSE  
WASHINGTON

has shown an  
of program  
r of February 4,  
dum outlining

Mr. President:

Comments on Howard Samuel's "Program  
for Voluntarism."

sideration  
Howard  
e ideal person  
.

Hamilton suggested that this might  
be a good special project for Greg.

Greg's comment: "There's tremendous  
potential in this idea and I agree  
that Howard is the ideal person to  
coordinate it - preferably from  
the White House.

"Such a program must be carefully  
and imaginately designed to avoid  
pitfalls such as further complexi-  
ties in the tax code, large adminis-  
trative costs, falsely raised  
expectations and conflict with unions."

opy Made  
Purposes

Other advisors had no comment.

Rick

HOWARD SAMUELS

4 February 1977

Hon. Robert Lipshutz  
THE WHITE HOUSE  
Washington, D.C.

Dear Bob:

While watching the President's first nationwide chat, I was impressed by his calls for "co-operation and mutual aid" among Americans. During my campaign for Governor of New York in 1974, I had worked on a program designed to build on this tradition.

What we did was to take a look at the extent and impact of non-profit and voluntary agencies on life in New York State. Our findings were dramatic. Not only did these programs enjoy widespread support from our people, but their effect upon the quality of life in the State was--and is--profound. Hundreds of thousands of New Yorkers either belonged to or gave money to thousands of non-profit agencies ranging from auxiliary police, Red Cross, and other self-help groups to some of our most prestigious private schools and hospitals. Since my campaign was committed, as is President Carter, to finding ways to work for social justice without huge increases in government spending and taxes, we evolved a program to greatly expand volunteerism and the non-profit sector; we even developed ways to enable lower income citizens to participate in philanthropy.

I believe a similar program is possible on the national level, and fits with the President's fundamental philosophy in two ways:

1. It calls on and recognizes the compassion and concern of our citizens;
2. It is among the most cost-effective ways of increasing human services.

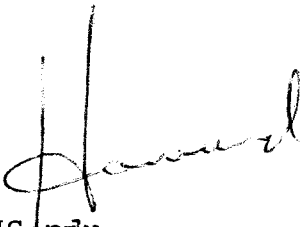
355 LEXINGTON AVENUE NEW YORK 10017  
212-661-9530

I've attached some of these concepts for the President's perusal. My note is really an effort to stimulate study and concern. If you're interested in a more detailed analysis, intended as the basis for action, I'd be glad to help.

I have taken great pride in the accomplishments of the first few weeks of the Administration.

I hope you and your family are well. Loulette and the babies are thriving.

All the best,



HS:pdu

# HOWARD SAMUELS

## TOWARD A CARTER PROGRAM FOR VOLUNTEERISM

The Carter Administration has been dedicated by the President, to the goals of increasing social justice and a balanced budget by 1980. President Carter could be enormously helped toward the achievement of both those goals if he could stimulate and extend the enormous energies and resources of the non-profit and voluntary sector. They carry now a significant share of the total burden of social services delivered in the United States (estimated at \$80 billion a year). They do so more compassionately and more cost-effectively than does government bureaucracy. The President could advance the nation toward his goals outside the normal political and fiscal constraints.

The steps that I think are necessary to extend the energies of the voluntary sector to compliment the Carter Administration's aims are:

1. Strong personal and visible leadership by the President to stimulate aid to voluntary institutions by the public at all levels of government. The Administration must demonstrate leadership by implementing a program in every cabinet-level department practicable.

2. Develop a specific program to increase financial input to voluntary institutions, probably through a simple and efficient tax device.

Currently, we deliver human services in three ways: through government, the private sector, and by non-profit and volunteer agencies. While the contributions and blunders of government and business are analyzed daily in the media, the third sector, the voluntary, is taken for granted. Yet these institutions may well be the most cost effective way of delivering services to the needy. Their impact on our society is now profound, and it can be greatly extended.

For example, during the current energy crisis, thousands of Americans have received aid from the Red Cross and other agencies which give them the sort of direct aid and comfort that cannot be priced. Or recently, in one neighborhood in New York, locally organized auxiliary police succeeded in cutting crime by 75%. Routinely, year in and year out, between 30 and 50 million Americans similarly give of themselves as remedial reading tutors, nursing home aides, hospital auxiliaries and in a thousand other ways.

Their action belies a million times a day, in every corner of the nation, the charges that Americans are in the grip of apathy. It is rather direct confirmation of President Carter's faith in the compassion and decency of the American people.

The sheer size of volunteer and non-profit agencies is awesome: well over 1/2 of all American families give some part of their time or money to them; over 4.5 million full-time staffers work in volunteer and non-profit agencies. They serve an inestimable volume of human needs. While local and city government suffer a period of intense fiscal strain, non-profit institutions provide a critically important margin of social services.

This is particularly true of the giant agencies funded by our largest charities and religious groups: parochial schools, nursing homes, private universities and hospitals. Many of these institutions are themselves in financial straits as a result of the nation's inflation and recession in recent years. And yet, throughout these lean years, volunteer and non-profit agencies have continued to deliver--despite lack of coordination or support from government bureaucracy.

This tradition of charity seems to me to be what the "new spirit" evoked in the President's Inaugural Address is all about. And it can be tapped and stimulated. What is needed is strong national leadership to develop and follow through specific programs to help voluntary non-profit institutions.

Empty exhortations like Ford's WIN program are worse than no action at all. Properly planned and administered, and backed by the President, aid to volunteer and non-profit groups could have a powerful impact on the nation's life. In effect, encouraging Americans to help one another could be one way of ensuring that needed social programs are carried out without further burdening the federal purse.

2/21  
THE WHITE HOUSE  
WASHINGTON

P.H.W.  
(Brown)  
date 2/24

Date: February 17, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza  
Greg Schneiders

FOR INFORMATION:

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Robert J. Lipshutz memo 2/16/77 re  
Howard Samuels and Program for Volunteerism.

YOUR RESPONSE MUST BE DELIVERED  
TO THE STAFF SECRETARY BY:

TIME: 4:00 P.M.

DAY: Saturday

DATE: February 19, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)

Date: February 17, 1977.

MEMORANDUM

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Greg Schneiders

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Other: \_\_\_\_\_

STAFF RESPONSE:

☐ I concur.

☐ No comment.

*Please note other comments below.*

There's tremendous potential in this idea and I agree that Howard is the ideal person to coordinate it - preferably from the White House.

Such a program must be carefully and imaginatively designed to avoid pitfalls such as further complexities in the tax code, large administrative costs, falsely raised expectations and conflict with unions.


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THE WHITE HOUSE  
WASHINGTON

February 16, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT J. LIPSHUTZ 

SUBJECT: Howard Samuels and Program for  
Volunteerism

As you are aware, Howard Samuels has shown an intensive interest in this type of program heretofore. Attached is a letter of February 4, 1977, along with a brief memorandum outlining such a proposed program.

I urge you to give this your consideration because of both the program and Howard personally. He might well be the ideal person to take charge of such a program.



4 February 1977

Hon. Robert Lipshutz  
THE WHITE HOUSE  
Washington, D.C.

Dear Bob:

While watching the President's first nationwide chat, I was impressed by his calls for "co-operation and mutual aid" among Americans. During my campaign for Governor of New York in 1974, I had worked on a program designed to build on this tradition.

What we did was to take a look at the extent and impact of non-profit and voluntary agencies on life in New York State. Our findings were dramatic. Not only did these programs enjoy widespread support from our people, but their effect upon the quality of life in the State was--and is--profound. Hundreds of thousands of New Yorkers either belonged to or gave money to thousands of non-profit agencies ranging from auxiliary police, Red Cross, and other self-help groups to some of our most prestigious private schools and hospitals. Since my campaign was committed, as is President Carter, to finding ways to work for social justice without huge increases in government spending and taxes, we evolved a program to greatly expand volunteerism and the non-profit sector; we even developed ways to enable lower income citizens to participate in philanthropy.

I believe a similar program is possible on the national level, and fits with the President's fundamental philosophy in two ways:

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355 LEXINGTON AVENUE NEW YORK 10017

212-661-9530

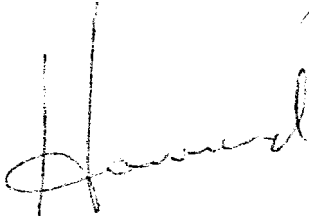
661-9431

I've attached some of these concepts for the President's perusal. My note is really an effort to stimulate study and concern. If you're interested in a more detailed analysis, intended as the basis for action, I'd be glad to help.

I have taken great pride in the accomplishments of the first few weeks of the Administration.

I hope you and your family are well. Loulette and the babies are thriving.

All the best,

A handwritten signature in cursive script, appearing to read "Howard", written over a vertical line.

HS:pdu

TOWARD A CARTER PROGRAM FOR VOLUNTEERISM

The Carter Administration has been dedicated by the President, to the goals of increasing social justice and a balanced budget by 1980. President Carter could be enormously helped toward the achievement of both those goals if he could stimulate and extend the enormous energies and resources of the non-profit and voluntary sector. They carry now a significant share of the total burden of social services delivered in the United States (estimated at \$80 billion a year). They do so more compassionately and more cost-effectively than does government bureaucracy. The President could advance the nation toward his goals outside the normal political and fiscal constraints.

The steps that I think are necessary to extend the energies of the voluntary sector to compliment the Carter Administration's aims are:

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Currently, we deliver human services in three ways: through government, the private sector, and by non-profit and volunteer agencies. While the contributions and blunders of government and business are analyzed daily in the media, the third sector, the voluntary, is taken for granted. Yet these institutions may well be the most cost effective way of delivering services to the needy. Their impact on our society is now profound, and it can be greatly extended.

For example, during the current energy crisis, thousands of Americans have received aid from the Red Cross and other agencies which give them the sort of direct aid and comfort that cannot be priced. Or recently, in one neighborhood in New York, locally organized auxiliary police succeeded in cutting crime by 75%. Routinely, year in and year out, between 30 and 50 million Americans similarly give of themselves as remedial reading tutors, nursing home aides, hospital auxiliaries and in a thousand other ways.

Their action belies a million times a day, in every corner of the nation, the charges that Americans are in the grip of apathy. It is rather direct confirmation of President Carter's faith in the compassion and decency of the American people.

The sheer size of volunteer and non-profit agencies is awesome: well over 1/2 of all American families give some part of their time or money to them; over 4.5 million full-time staffers work in volunteer and non-profit agencies. They serve an inestimable volume of human needs. While local and city government suffer a period of intense fiscal strain, non-profit institutions provide a critically important margin of social services.

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Date: February 17, 1977

25

MEMORANDUM

FOR ACTION:

Midge Costanza  
Greg Schneiders

FOR INFORMATION:

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
Bob Lipshutz  
Frank Moore  
Jody Powell  
Jack Watson

FROM: Rick Hutcheson, Staff Secretary

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TIME: 4:00 P.M.

DAY: Saturday

DATE: February 19, 1977

ACTION REQUESTED:

☒ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

Rick -  
HAM SUGGESTS THAT THIS  
MIGHT BE A GOOD "SPECIAL PROJECT"  
FOR FREE. PERHAPS HE SHOULD  
REVIEW THIS MEMO -

LONDON -

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4 February 1977

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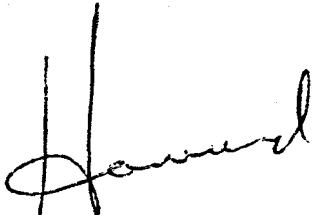
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I hope you and your family are well. Loulette and the babies are thriving.

All the best,

A handwritten signature in cursive script, appearing to read "Howard". The signature is written in dark ink and is positioned above the typed name "HS: pdu".

HS: pdu

# HOWARD SAMUELS

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Date: February 17, 1977

MEMORANDUM

FOR ACTION:

Midge Costanza  
Greg Schneiders

FOR INFORMATION:

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
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Jody Powell  
Jack Watson

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Robert J. Lipshutz memo 2/16/77 re  
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☒ Your comments

Other:

STAFF RESPONSE:

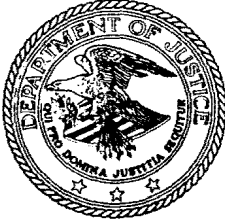
☐ I concur.

*Please note other comments below:*

☒ No comment.  
*fw*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

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THE PRESIDENT HAS SEEN.

Office of the Attorney General  
Washington, D. C. 20530

February 18, 1977

MEMORANDUM FOR THE PRESIDENT

Re: Principal activities of the Department  
of Justice for the week of February 14  
through 18

1. American Bar Association Annual Meeting

The Attorney General spent the first part of the week on the West Coast in attendance at the American Bar Association meeting in Seattle, Washington. Thereafter he spoke at the annual dinner to the Mexican-American Legal Defense and Educational Fund in San Francisco.

2. King Assassination Report

The Department of Justice released on Friday, February 11 its report on the thoroughness and integrity of the FBI's investigation of the assassination of Dr. Martin Luther King, Jr.

3. FBI Director

An FBI Selection Committee was established to assist in the search for a new FBI Director. The Attorney General briefed Irving S. Shapiro, the Chairman of the Committee, and appointed Mary Lawton, Deputy Assistant Attorney General, Office of Legal Counsel, as Staff Director.

4. New Arrivals

Three new Assistant Attorney General designees arrived this week at the Department of Justice:

Barbara Babcock, Assistant Attorney General  
designee, Civil Division

Benjamin Civiletti, Assistant Attorney General  
designee, Criminal Division

Patricia Wald, Assistant Attorney General  
designee, Office of Legislative Affairs

**Electrostatic Copy Made  
for Preservation Purposes**

5. Foreign Electronic Surveillance Legislation

The Department of Justice began meetings with Congress and members of the intelligence community regarding proposed legislation dealing with foreign electronic surveillances.

6. Investigation of Miami Bombing

Attorney General Griffin B. Bell announced Friday he has ordered the FBI to assume primary Federal investigative jurisdiction of the bombing incident last April 30 in Miami, Florida, in which a reporter, Emilio Milian, lost both legs.

7. Deregulation Activities of the Antitrust Division

This week the Antitrust Division supported a proposal to cut in half the air fares between the East Coast and the West Coast. This is a continuing program by the Antitrust Division to support efforts to lower costs in the air transportation industry and to allow free entry into the market.

8. Access to Tax Returns by Federal Investigators

The Attorney General sent a letter to Congress this week asking for an amendment to the tax return disclosure and summons enforcement provisions of the Tax Reform Act of 1976. The Attorney General criticized the tax provisions because they would flood the already overburdened court system with some 38,000 cases per year and would hamstring the investigation of organized crime and white collar crime cases. 7

9. Hispanic Coalition

The Attorney General held a luncheon meeting with 15 representatives of the Hispanic Coalition to discuss their concerns and priorities as they relate to the Department of Justice.

10. Meeting on Judicial Nominating Commission

On Thursday, February 17, Mike Egan and others from the Department of Justice met with Hamilton Jordan, Bob Lipshutz, and Frank Moore to discuss procedures for implementing the President's Executive Order establishing a Circuit Judge Nominating Commission. Immediate action includes Hamilton's choosing the Chairmen of those panels in whose territories vacancies now exist.

11. Antitrust Division to Use Mail Fraud Statute

On February 25, the Antitrust Division plans to seek indictments on both antitrust and mail fraud counts against a bid-rigging scheme in the Chicago area. This marks the Division's first use of the mail fraud statute in a price-fixing case, and is another step in its continuing effort to obtain prison sentences for white collar criminals.

*Good*

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THE PRESIDENT HAS SEEN. C

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

February 15, 1977

MEMORANDUM FOR THE PRESIDENT

*Ray Marshall*

FROM: SECRETARY OF LABOR

SUBJECT: Major Departmental Activities for February 7-11

TEAMSTERS CENTRAL STATES FUND INVESTIGATION

The investigation of the Teamsters Central States Pension Fund is now moving into a critical phase. To prepare for our negotiations with the Teamsters which is scheduled for this Wednesday, February 16, I had a full briefing session with Attorney General Bell and Secretary Blumenthal. My staff also spent two days last week with the District IRS Office in Chicago to forge a single government approach. During these two meetings we were able to construct a joint approach that is now only dependent upon the final approval of the IRS Central Office.

In our meeting with the Teamsters on Wednesday, we are going to make the following demands: (a) removal of all "hold-over" trustees including Frank Fitzsimmons; (b) the establishment of a majority of neutral trustees that is, neither employer nor employee representatives; and (c) procedures for preservation of the Fund's assets. The Teamsters must respond to this position prior to February 28--the date at which the temporary IRS tax exempt relief letter expires. There are two possible outcomes: (1) the Teamsters consent to the government's demands and we undertake a detailed agreement; or (2) the Teamsters reject our demands and the government proceeds into court.

EMPLOYMENT AND TRAINING

Emergency Programs

The Department has continued to maintain close contact with the six States that received \$10 million in special job creation funds on February 1. These funds were allocated to the States hardest hit by the weather and energy crises--New York, New Jersey, Pennsylvania, Ohio, Maryland and Virginia. The greatest activity has occurred in New York

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where approximately 1,250 individuals have already been hired in public service jobs made possible by these funds.

New Jersey was added to four other States (Maryland, Virginia, Florida and New York) as major disaster areas eligible for Disaster Unemployment Assistance (DUA). DUA application-taking activities have been initiated in all of these States with payments already made in Maryland and Virginia. Federal DOL staff have also been personally involved in Florida in an effort to facilitate delivery of services, particularly to migrant and seasonal farmworkers.

Finally, the Department continues to monitor daily the unemployment effects of the weather and energy problems, and we have begun advance planning for any spring flood assistance we can provide, if it is necessary.

#### New Employment and Training Initiatives

The Department has moved ahead in preparing for the implementation of our components of the economic recovery program.

- - Public service employment (PSE) expansion. Federal regulations covering the proposed PSE expansion are being finalized for publication during the week of February 14 or February 21.
- - Veterans programs. To further clarify the Administration's initiatives in this area, we met with leaders of veterans groups, particularly Vietnam-era and disabled veterans. Work is now moving forward to implement the HIRE program that will involve private industry in the training and employment of veterans and other groups in the labor force with special needs.
- - Youth programs. We have begun the slow process of identifying the sites for new Job Corps Centers. In addition, we are completing the design for the other youth initiatives contained in the recovery package. In the anticipation of a need to develop a more comprehensive youth employment program in FY 1979 or even earlier, I have initiated a review of youth programs throughout the Government and plan to develop a major youth bill for consideration by the Administration at the appropriate time.

### Summer Youth Program

Proposed regulations for the 1977 Summer Program for Disadvantaged Youth were published on February 11. This is the earliest date that summer regulations have been published. This will provide CETA prime sponsors with sufficient time to improve their administration of the program and develop summer jobs of higher quality.

### WELFARE REFORM

Over the past week we have finalized our internal organization for developing welfare reform proposals and coordinating these with Secretary Califano. The first round of background and options papers will be completed during the coming week, and I plan to review them immediately.

### OCCUPATIONAL HEALTH AND SAFETY

Improving and simplifying the operation of this complex program is one of my major concerns. To begin a thorough review, the OSHA career staff presented last week a detailed 3-hour briefing for me and my top staff. No simple solutions are likely to emerge for this program. However, the failure to give top management attention to the program and the absence of a coherent long term regulatory and enforcement strategy have caused many of its current problems and adverse public reaction.

### SITUS PICKETING

Common situs picketing will be one of the first bills moved through Congress, and it is an issue of major symbolic importance to organized labor. I have completed a series of substantive and political briefings. A concise summary of the policy issues together with detailed background information has already been presented to you. I believe this issue merits your close and immediate consideration. *Chen*



## THE INTERNATIONAL LABOR ORGANIZATION

On November 5, 1975, the United States gave notice of our intention to withdraw from the ILO, to take effect two years later as provided by the Constitution of the ILO. The grounds for this action were erosion of tripartite representation, selective concern of human rights, and the increasing politicization of the ILO. The U.S. position has been that we will work toward the elimination of these problems but if the conditions for our continued participation are not met we will depart. This position has been strongly endorsed by the AFL-CIO, the business community, and other government agencies. The Departments of Labor, Commerce and State are working on a joint announcement indicating a continuation of this policy under the new Administration. I am also planning to convene in March the Cabinet Level Committee on the ILO, which I chair to review the situation.

## DEPARTMENTAL MANAGEMENT AND REORGANIZATION

I have enclosed for your review my preliminary thoughts and plans for reorganization. We will move ahead in the areas outlined, and I have also initiated a program for evaluating and improving the management of the Department's relations with the White House, other Executive departments, Congress, state and local governments and the public. As we take specific steps in each of these areas, I will report them to you. *where?*

## RELATIONS WITH THE AMERICAN PEOPLE

In order to bring me closer to the work of the Department and the people we serve, I have already pursued several avenues to open up communication. What I have already done and what I plan to do in the future is described in the second enclosure.

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THE PRESIDENT HAS SEEN.

"FYI"

U. S. DEPARTMENT OF LABOR

OFFICE OF THE SECRETARY

WASHINGTON

February 18, 1977

MEMORANDUM FOR THE PRESIDENT

FROM: THE SECRETARY OF LABOR R.M.

SUBJECT: Major Department Activities for February 12-18

FEDERAL SUPPLEMENTAL BENEFITS

The Federal Supplemental Benefit program, which provides additional unemployment compensation in states with high unemployment, will expire on March 31st, unless legislation is passed to extend it. The Administration is supporting extension of the program for the rest of the year, and we are scheduled to testify on the extension on February 22nd before the House Ways and Means Committee. Several issues relating to Federal Supplemental Benefits remain to be resolved. A key issue is whether the supplemental benefits should continue to be financed out of the unemployment insurance trust fund or whether they should be funded out of general Treasury revenues. The Labor Department supports general Treasury funding for Federal Supplemental Benefits. The issue is scheduled to be discussed at the February 21st meeting of the Economic Policy Group.

EMPLOYMENT AND TRAINING

Summer Youth Program

Allocations for the \$618.3 million Summer Youth Program were announced on February 18th. These allocations inform each of the 446 CETA prime sponsors how much they will be given under this program designed to provide summer jobs for economically disadvantaged youth. Prior to their public announcement, Members of Congress were given 48 hours to review these allocations.

Apprenticeship Regulations

Regulations on apprenticeship were published in the Federal Register on February 18th. The regulations represent the first attempt to establish criteria and

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procedures for registering apprenticeship programs. Publication of these regulations represents the culmination of a four-year process.

#### LABOR MANAGEMENT SERVICES

##### Major Collective Bargaining

Steel negotiations began on February 14th under the new Experimental Negotiating Agreement. Although steel industry contracts do not expire until August 1, any issue that is unresolved on April 15 will be sent to an arbitration panel. This Agreement--which was a major issue in the Steelworkers' election--precludes a strike.

##### Steelworkers' Election

The tally sheets in the Steelworkers' election are now being counted under the guidance of the Labor Management Services Administration's technical assistance staff. The unofficial tally gives McBride 324,531 and Sadlowski 238,152. The LMSA technical assistance program will also be used in conjunction with the United Mine Workers election in June.

#### EMPLOYMENT STANDARDS

The Federal Employees Compensation Act Program (FECA) was the center of some controversy this week. On February 13th, the CBS television program Sixty Minutes charged that some air traffic controllers were illegitimately collecting disability benefits under this program. Let me review for you what steps had already been underway to improve enforcement of this entire program.

Last December 30th, a Department of Labor task force examining enforcement of this program issued its report. Most of the task force's 30 recommendations have either been implemented or are in the process of being implemented. These changes include a thorough rewrite of FECA procedures. We are also testing an automated control system to monitor FECA claims and a new method of training claims examiners. Some of the problems of FECA enforcement require a legislative solution. We are reviewing legislation designed to tighten enforcement and end the backlog of unprocessed claims. In addition, the Department of Labor's revised budget request now before Congress would increase FECA personnel by 20 percent with an emphasis on more investigators.

### PUBLIC CONTACTS

I left Washington on February 15th to attend the AFL-CIO Convention in Bal Harbour, Florida. I have been meeting in informal sessions with the various trade departments of the AFL-CIO and the executives of key unions. While in Florida, I have also tried to learn about the problems of migrant workers in the citrus industry. I visited an unemployment office in Homestead, Florida, which serves migrants and inspected the Everglades Labor Camp in Florida City.

### OSHA

Last December 30th, the federal district court in Idaho ruled that the inspection provisions of the 1970 Occupational Safety and Health Act were unconstitutional because it did not provide for inspection search warrants. This ruling barred any further inspections in Idaho and, theoretically, anywhere else in the country. The district court denied a request to stay this order pending Supreme Court review. But on February 4th, Supreme Court Justice Rehnquist granted a stay of the order. This stay allows OSHA to continue its inspections in Idaho and the rest of the country. The Department's brief in the case is to be filed with the Supreme Court on March 15th. Oral argument is expected in late April.

### WELFARE REFORM

In conjunction with Secretary Califano's efforts at HEW, we have begun work on background and option papers to aid in the development of an Administration proposal on Welfare Reform. A major focus of our efforts will be to produce papers on two major proposals that are being considered by Secretary Califano's consulting group. The proposals deal with two distinct types of low-income individuals--those who are expected to work and those who would receive an income transfer without working (such as a single parent with a pre-school age child). The relationship of employment programs to these kinds of issues is being closely examined.

### DISASTER UNEMPLOYMENT ASSISTANCE

Responding to charges of widespread abuse in the payment of Disaster Unemployment Assistance, a team from the Department of Labor, the House Ways and Means Committee and the State of Florida began an investigation in Fort Myers on February 18th. We will have a report from this task force on February 21st and will testify on this subject before the House Ways and Means Committee on February 22nd.

THE WHITE HOUSE  
WASHINGTON

J ALC

THE WHITE HOUSE  
WASHINGTON

Februart 21, 1977

Jack Watson

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

Re: Department Report

THE WHITE HOUSE  
WASHINGTON

2-21-77

To Jack

Have department  
reports on my desk  
by 10:00 am Saturday.

J.

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THE PRESIDENT HAS SEEN.

THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

February 18, 1977

9  
1

EXECUTIVE SUMMARY TO THE PRESIDENT

FROM: Secretary Brock Adams

The attached memorandum describes two high visibility issues which require immediate action and an update on seven issues mentioned in previous memoranda.

1. Mass Transit Legislation: I have been asked to testify on major mass transit legislation on February 25. I propose that we indicate legislation is not necessary at this time. This preserves the Administration's future options for consolidating transportation grant programs.
2. Oil Pollution Liability and Cargo Preference: I have been asked to testify on March 15 regarding the Administration's cargo preference position. A decision is needed on whether I or another Cabinet Officer will represent you. This issue affects the Departments of Commerce, State and Treasury as well as Transportation.

Informational paragraphs are provided on the following topics:

My February 22-23 trip to Boston  
St. Louis Airport  
Automobile Fuel Economy Standards  
World Airways  
Automobile Pricing  
200-Mile Fishing Limit  
Airbags

Attachment

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THE SECRETARY OF TRANSPORTATION  
WASHINGTON, D.C. 20590

February 18, 1977

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: Mr. Jack Watson

SUBJECT: DOT Issues for Presidential Review

FROM: Secretary Brock Adams

A large, stylized handwritten signature, likely of Brock Adams, is written over the 'FROM' line and extends into the right margin.

This memorandum describes several high visibility issues now pending at the Department of Transportation and provides an update on key issues raised in previous memoranda.

Mass Transit Legislation

On Friday, February 25, I will testify before the Senate Banking, Housing, and Urban Affairs Committee on S. 208, The National Mass Transportation Assistance Act of 1977. This legislation was introduced by Senators Williams and Kennedy and authorizes an additional \$11.4 billion for transit operating and capital assistance grants through fiscal 1982.

ok

I intend to urge the Committee to avoid adopting the five-year approach. We could instead use money presently set aside for future projects to carry existing projects through 1979. This will preserve the Administration's option to propose comprehensive legislation next year for unification and coordination of transportation grant programs. This position is likely to be controversial and raise some protest from city officials and transit authorities.

Oil Pollution Liability and Cargo Preference

The Office of Management and Budget Task Force on Oil Pollution Liability has circulated recommended legislation for a comprehensive oil pollution liability and compensation fund. OMB has also asked for departmental positions on the question of whether a certain percentage of cargo should be carried by U. S. ships.

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## ACTION

2

The cargo preference question involves both environmental and economic questions and responsibility is distributed between DOT (Coast Guard safety regulations), the Department of Commerce (Maritime Administration), Treasury (tax credits for shippers), and the State Department.

I am prepared to take the lead in an interdepartmental task force on the oil pollution liability issue since the U. S. Coast Guard will be responsible for enforcing the legislation.

A decision is needed as to whether the chief responsibility for developing an Administration position on cargo preferences should remain with the Departments of Commerce and State. I have been asked to testify on this issue on March 15 before the House Merchant Marine and Fisheries Subcommittee. I am required to testify before the Committee regarding the Administration position or indicate that another Cabinet Officer will represent you.

Boston Trip

Members of my senior staff and I will be in Boston on February 22 and 23 for the first of 10 proposed regional Town Meetings on transportation issues. The meeting and workshop will be open to representatives of consumer and civic groups, major business and industrial organizations, New England state and local governments, and the news media. I intend to ride the Amtrak train up to Boston which will provide an opportunity for on-site inspection of the Northeast Corridor rail lines. In addition, I plan to inspect the Cambridge Transportation Systems Center (formerly operated by NASA and now under DOT supervision) and Coast Guard oil clean-up facilities.

St. Louis Airport

The U. S. Court of Appeals on February 17 placed a hold on DOT funding for land acquisition in Illinois for a St. Louis Airport. The hold is in effect until April 1st. The Judge indicated he would not take further action until I either confirm Coleman's decision or agree to review it. I intend to meet with elected representatives from Missouri and Illinois on this matter on Friday, February 25th. I will make a recommendation to you after these meetings as to whether a full-scale review should be held or the decision be affirmed.

Automobile Fuel Economy Standards

By law the Department of Transportation must issue by July 1, 1977 regulations on automobile fuel economy standards for the 1981 through 1984 model year cars. (Standards are already in effect for model years 1978, 1979, and 1980). To meet this requirement, the Department will have to use an expedited hearings-clearance procedure. A notice of this proposed procedure will be published in the Federal Register on February 22nd. It calls for public hearings on this issue during the week of March 21.

I am coordinating my activities closely with the Federal Energy Administration, the Energy Research and Development Administration (ERDA), and Dr. Schlesinger; and I plan to invite FEA and ERDA to join in the public proceedings.

World Airways

On February 17 I authorized DOT attorneys to file preliminary comments before the Civil Aeronautics Board (CAB) in connection with an application from World Airways to fly transcontinental low fare routes. Our comments stated that the issues which the CAB proceeding should cover are: (1) the benefits to consumers of cost-justified low fares, (2) the effect on fuel efficiency, and (3) the impact the new service will have on existing carriers in the affected markets. The filing indicated that DOT would develop economic data on whether World Airway's entry would have an adverse affect on service in other markets.

Automobile Pricing

On February 18 I attended a journalists' breakfast hosted by Godfrey Sperling, Christian Science Monitor. The discussion covered a wide range of transportation issues. I took this occasion to follow-up on your recent suggestion that the Administration praise the Ford Motor Company for its recently enunciated policy of reducing prices on smaller cars and raising them for larger models.

200-Mile Fishing Limit

The U. S. 200-mile fishing zone will go into effect on March 1, 1977. The U. S. Coast Guard within DOT is responsible for enforcing the limit.

I will hold a news conference on February 28 to discuss our enforcement policies. I will be joined by Admiral Siler, Commandant of the Coast Guard, and officials of the National Oceanographic and Atmospheric Administration (NOAA) in the Department of Commerce.

Airbags

As outlined in my January 26th memorandum, the previous Administration signed contracts with four automobile companies (Volkswagen, General Motors, Ford, Mercedes) to equip a total of 500,000 cars with passive restraints in model years 1979 and 1980.

I intend to review the airbag decision by holding a public hearing and issue my ruling by July 1, 1977, before the industry undertakes a substantial investment in the demonstration project. Under Secretary Coleman's rule this will allow the auto companies to stop the demonstration if they wish. A July 1, 1977 decision is necessary if passive restraints are to be mandated by model year 1980 (fall of 1979 models). However, design lead time may require waiting until model year 1981 (fall of 1980 models) to install these passive restraints.

THE WHITE HOUSE  
WASHINGTON

The attached is forwarded to  
you for your information.

✓ The Vice President

Midge Costanza

✓ Stu Eizenstat

✓ Hamilton Jordan

✓ Bob Lipshutz

✓ Frank Moore

✓ Jody Powell

✓ Jack Watson

Rick Hutcheson

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

The attached is forwarded to you  
for your information.

The Vice President  
Stu Eizenstat  
Hamilton Jordan  
Frank Moore  
Jody Powell  
Jack Watson  
Bob Lipshutz

Rick Hutcheson

*Cabinet Summaries*

THE PRESIDENT HAS SEEN.

THE WHITE HOUSE  
WASHINGTON

February 18, 1977

MEMORANDUM TO: THE PRESIDENT  
FROM: Jack Watson *W*  
RE: CABINET SUMMARIES FOR WEEK  
OF FEBRUARY 14 - 18, 1977

I am attaching summaries received from the  
following Departments:

Agriculture  
Commerce  
Energy  
HEW  
HUD  
Interior  
Justice  
Labor  
Transportation

The summary from Defense is on its way to us  
and telephone calls have been made to Treasury and State.  
State will not provide a summary this week since Secretary  
Vance has been in daily contact with you. OMB's major  
activity has been preparation of the FY 78 budget, and I  
have asked Bert to describe these activities at the Monday  
Cabinet meeting.

Attachments



THE PRESIDENT HAS SEEN.



DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
WASHINGTON, D. C. 20250

February 18, 1977

MEMORANDUM TO THE PRESIDENT

Through Jack Watson

Subject: Weekly Report

With the understanding that their nominations and confirmations are not assured, my suggestions for assistant secretaries have joined the Department as consultants.

They have been asked, and have begun, to meet informally with the appropriate House and Senate committee and subcommittee members with jurisdiction over their areas of interest. They are also meeting with leaders in the private sector who have expressed concern over their possible appointments.

As a result of experiences in Florida and New York, we are investigating abuses and developing more efficient means of delivering food stamps. The primary difficulty is falsified information on the short form utilized during presidential emergencies. We have to balance the need for rapid distribution with the increased ability to abuse the program. The form is being reviewed and prosecution of violators will be pursued vigorously. Recommendations for new food stamp legislation are being prepared.

There is evidence of a new fruitfly infestation in Mexico. If it spreads, there may be an adverse impact on consumer prices as 40 percent of our winter fruits and vegetables are imported from Mexico.

It is still too early for a final estimate, but there is indication that the western drought, if it continues, may also have a dramatic impact on food costs.

House agriculture appropriations hearings began this week. Technicians from the various agencies and my designees are providing expert testimony. I have agreed that either myself, or the assistant secretaries if in place, will be available to answer policy questions.

I am meeting with groups of about 400 employees on a regular basis. A minimum of three lunches in the Department cafeteria per week also assist in gaining a closer relationship with the career employees.

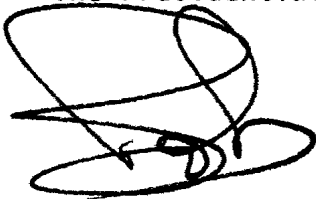
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February 18, 1977

One-half hour daily is set aside for interviews with individual journalists. I also plan regular lunches with groups of reporters.

Reorganization studies have been delayed to utilize staff for the preparation of farm legislation.

The Presidential visit to the Department was enthusiastically received.

A handwritten signature in dark ink, appearing to read 'BOB BERGLAND', with a large, loopy flourish above the name.

BOB BERGLAND



February 18, 1977

"FYI"

## REPORT TO THE PRESIDENT

SUBJECT: Department of Commerce Priority Issues

The following actions and issues currently are of priority concern to the Department of Commerce (DoC).

ACTIONS

o Department Briefings. Beginning February 22 I am initiating a series of briefings for myself and the Under Secretary-designate by each operating unit within DoC on its capabilities and functions. Instead of the usual closed-door meeting with a few key individuals, however, I have instructed each agency head to involve as many of his staff as practicable in making the presentations. Also, I am encouraging the attendance of as many employees of the briefing agency as possible; the Department's auditorium will be used for each briefing in order to accommodate all who are interested. I expect that these briefings will provide employees with a sense of greater understanding of the issues with which DoC is confronted and the reasoning behind the policies that are being developed in response to these issues.

o Cooperation with Business. As I have indicated to you before, I see the Commerce Department as a lead agency for bringing the business community closer together. This week I met with representatives of both the Chamber of Commerce and the Business Council to discuss issues of mutual concern and I expressed my desire to work closely with them. I have initiated a series of regular meetings with these and other groups, focusing on communications with the Nation's top executives. I also have asked the Assistant Secretary for Policy to set up regular meetings with the top policy executives on specific policy issues such as inflation, the generation of jobs in the private sector, and regulatory matters.



o Consumer Affairs. I also want the Department to play a stronger role in consumer affairs. In this regard, last Friday I spoke before the Consumer Assembly '77, an annual forum sponsored by the Consumer Federation of America. Although I realize that you support a Consumer Protection Agency, I believe that it will be necessary for Commerce to be actively involved in consumer matters even after the creation of such an agency. Consumer and business concerns often are closely intertwined and, in many cases, must be considered together.

## ISSUES

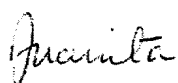
o Energy Reorganization. The Department has provided to James E. Schlesinger an assessment of the energy issue analysis capability within DoC, with the objective of moving the DIBA energy office to FEA. While I agree with the concept of pulling together into one group the necessary individuals to deal with most energy matters, I believe it is essential to retain some energy policy capability within the Department so that energy considerations can be incorporated into other DoC programmatic functions. I believe it is important that we consider energy matters in conjunction with general economic policy, economic development projects, maritime transportation, oceans policy, business regulatory issues, National Bureau of Standards activities, and other concerns of business. We simply cannot fulfill our basic mission if we have no energy policy capability. For that reason, I have proposed to Jim that we transfer two-thirds of the DIBA energy resources.

o Canadian Fishery Controversies. Negotiations of the 200-mile fishing zone treaty with Canada have encountered difficulties with regard to west coast salmon and shrimp. The Canadians want to have 80 percent of the shrimp catch within their 200-mile zone--in the past it has been 38 percent. Similar disputes have arisen regarding the salmon catch within the U.S. zone. Both State, Commerce, and the NSC have been working on the issue, which is likely to be a major topic of discussion during the Trudeau visit. I would alert you that I don't believe you can make significant concessions to Mr. Trudeau, however, without possibly violating the Fisheries Conservation and Management Act of 1976, or possibly violating the court order which protects Treaty Indian rights to a large percentage of the salmon.

o Arab Boycott. Discussions among the Departments of Commerce, State, and Treasury are continuing with the expectation of providing you with a recommended Administration position within the next week. There are two major concerns that I have in the development of this legislation. First, that we develop legislation that represents a comprehensive policy that clearly identifies what will be prohibited, cuts down on paperwork, and eliminates conflicting, overlapping state laws. It may be appropriate to have an administration initiative to do this, although it may be politically wiser to seek to modify existing legislative proposals. Second, that the policy is responsive to the need to prevent Arab countries from dictating who American firms should deal with, but without significantly reducing trade with the Arab nations.

o HUD Urban Development Action Program. Community Development legislation about to be proposed by the Department of Housing and Urban Development would to some extent duplicate ongoing economic development programs administered by the Department of Commerce (Economic Development Administration). Specifically, the proposed legislation would enable HUD to carry on programs essentially identical to EDA's with respect to acquisition of property, construction of public facilities, financing of site improvements, economic development planning, and assistance to business in urban areas. I am concerned that this would prevent us from developing a comprehensive economic development program within the Administration.

The Department of Commerce is working with HUD, OMB, and Stu Eizenstat to clarify the functions of EDA and HUD in the urban development area, and to avoid the possibility of duplication through modification of the proposed legislation. This modification of the Community Development bill would not reduce the level of funding, it would not restrict the discretionary flexibility Secretary Harris desires for this program, nor would it lessen the impact of other proposed amendments. Therefore, this modification would not detract from the urban initiatives by your Administration which the balance of the bill contains.

  
Juanita M. Kreps

THE PRESIDENT HAS SEEN.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

February 18, 1977

MEMORANDUM FOR: The President *JS*  
FROM: Jim Schlesinger  
SUBJECT: Major Activities Report

During the past week the Energy Policy and Planning Staff has been identifying a large number of policy options for conservation in the transportation, residential, commercial and industrial sectors of the economy. These include the following:

- tougher mandatory fuel efficiency requirements for new automobiles and trucks; *good*
- possibility of gradually increasing taxes on gasoline with off-setting reductions in the payroll taxes; *good*
- requesting utilities to participate in programs to insulate all buildings; *good*
- mandatory measures as well as incentives for industries to invest in more energy efficiency processes. *good*

We contemplate a program that would achieve improvements in fuel efficiency for the Nation of about three percent per year on the average over the next decade and in the years beyond. ✓

In addition, we are seeking to develop programs for converting petroleum burning power plants to coal. ✓

We are working on the bill for reform of natural gas pricing and revised priorities in research and development to de-emphasize nuclear power and accelerate solar energy conservation and near-term coal options. ✓

We are working to implement a major national work program which will get the American people involved in these policies to the fullest extent possible. ✓

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I shall be briefing you on the major elements of our program at an early stage in its development. ✓

In addition to the above, I have directed the Acting Administrator of ERDA, Robert Fri, to: ↙

- shape a comprehensive study of inexhaustible energy resources; ✓
- review preliminary results of a study of national electric power-generating requirements prepared by ERDA for the Energy Resources Council; ✓
- meet with State Department officials regarding nuclear reprocessing evaluation; ✓
- review Clinch River Breeder Reactor Program to determine impact of project delays and recent Administration shifts in budgetary priorities; ✓
- review current program efforts dealing with nuclear defense waste. ✓

John O'Leary, Administrator of FEA, has been directed to:

- prepare the formulation of energy policy options which will be considered for inclusion in your April 20th message to Congress; ✓
- keep abreast and monitor the fuel shortage situation nationwide. ✓



THE PRESIDENT HAS SEEN.

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

FEB 18 1977

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Report on Major Events in HEW

The following is my weekly report on major events in the Department of Health, Education, and Welfare

PUBLIC ANNOUNCEMENTS AND PUBLIC EVENTS

- Budget, General: On Monday, February 21, the press will be briefed on HEW's portion of the President's Fiscal 1978 budget.
- Welfare Reform: On February 18 a notice was published in the Federal Register, accompanied by a press release, announcing a one-day public hearing for March 10, 1977 on welfare reform, which I will chair, and asking interested parties who want to testify to write and request that opportunity.
- Foreign Doctors: By February 24, HEW will release to the press an announcement that I am requesting the National Board of Medical Examiners to develop a new examination to screen alien physicians seeking entry to the U.S. The need for the examination arose from Congressional concern that alien physicians coming to this country be as competent as graduates of U.S. medical schools.
- Civil Rights: An administrative law judge has issued a decision of noncompliance, and ordered termination of Federal funds, in the proceeding brought against the Chicago school system by the Office for Civil Rights (OCR) in the spring of 1976. The Chicago schools enroll more than 500,000 students and employ 26,000 students; it is the largest school district case that OCR has ever brought to an administrative hearing.
- \* The judge found that the Chicago school district has discriminated against minority students by assigning faculty and professional staff so as to create racially identifiable schools, in

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violation of Title VI of the Civil Rights Act of 1964. Further, he found that the district has discriminated against students whose primary language is not English, by failing to provide special language services necessary for them to participate equally in the district's educational program.

- \* Appeals may be made to the Department's Reviewing Authority within 20 days, an action which would stay the termination order. A final decision on final termination is many months away.

--FDA: The Food and Drug Administration will initiate an inquiry to determine whether Laetrile is a safe and effective cancer drug and whether it is exempt from pre-market approval requirements of the Food, Drug and Cosmetic Act.

- \* This inquiry results from a suit brought by a cancer patient seeking permission to import Laetrile (manufactured primarily in Mexico) for his personal use.
- \* At issue is the right of terminal cancer patients to have access to "products of last resort", whether or not proven effective.
- \* A public hearing will be held in Kansas City, Missouri on May 2 to hear oral arguments in this matter.

#### CONGRESSIONAL ACTION

--Legislative Package: Within the next week, the Department will be forwarding to the White House a revised and expanded legislative program for Fiscal 1978. This program includes:

- \* proposals implementing cost or budget controls;
- \* extension of expiring programs;

- \* new initiatives already identified in the Fiscal 1978 budget; and

- \* program improvements (both with and without budget impact).

--Health Cost Containment: As preparation for development and submission of the hospital cost containment piece of your proposed legislation package, I have been briefing interested parties like Blue Cross/Blue Shield and hospital associations. I understand some hospitals are raising prices in anticipation of cost controls.

--Health Law Extensions: Dr. James Dickson, Acting Assistant Secretary for Health, will testify on February 22, before the House Subcommittee on Health and the Environment and on February 23, before the Senate Subcommittee on Health of the Senate Committee on Human Resources, on expiring Public Health Service Act authorities. Senator Kennedy, Representative Rogers and I have reached agreement on the desirability of simple one-year extensions.



Joseph A. Califano, Jr.



THE PRESIDENT HAS SEEN.

THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D. C. 20410

February 18, 1977

MEMORANDUM FOR: The President

SUBJECT: Weekly Report of Major Departmental Activities

The following are brief descriptions of significant activities of the Department of Housing and Urban Development.

Legislation. During the past week, the Department has submitted the following proposed bills to the Office of Management and Budget for clearance:

1. A one-year extender of FHA mortgage insurance and related authorities.
2. A bill which would provide supplemental authorizations for fiscal year 1977 for important Department programs, including the Section 8 housing assistance payments program.
3. A bill which would provide funding and other authorizations required to support HUD programs in fiscal year 1978.
4. A one-year extender of the National Flood Insurance Program.
5. A bill providing a three-year reauthorization, with formula and other changes, for the Community Development Block Grant Program.
6. Legislation to authorize appropriations under the Disaster Relief Act of 1974 for fiscal years after FY 1977.

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Congressional Hearings. The Department has five hearings scheduled during the coming two weeks with House and Senate authorizing and appropriations committees. Subjects to be covered include FY 1977 supplemental appropriations and authorizations, FY 1978 legislative initiatives, and FY 1978 appropriations.

Public Comment on the Section 202 Program. Proposed Federal regulations amending sections of the Department's 202 Program -- Loans for Housing for the Elderly or Handicapped -- which were completed in January have been mailed to 75 groups familiar with and interested in this program. A cover letter accompanying the regulations highlighted the most important and controversial issues raised by the proposed changes and encouraged groups to comment on the regulations before the comment period expires.

Assistance for Handicapped Individuals. The Department participated in a conference on "Long-term Care Requirements," sponsored by the Temple University Developmental Disabilities Center. The purpose of the conference was to develop recommendations which will serve as input for the White House Conference on Handicapped Individuals. Recommendations related to HUD programs included greater use of Section 202 to fund housing for the handicapped, and enforcement of the HEW regulations prohibiting discrimination against the handicapped in programs receiving or benefiting from Federal financial assistance.

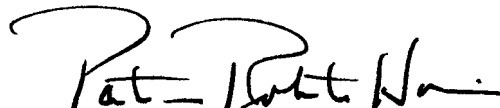
Welfare Reform. In conjunction with participation on the interagency Federal Working Group, a working group has been formed within HUD to review the Department's housing programs in the context of the Administration's initiative in welfare reform. This group also will provide HUD support to the Federal Working Group on welfare reform, chaired by HEW.

Fair Housing Assistance Project. This week, the Department's Fair Housing and Equal Opportunity staff began its New Horizons Fair Housing Assistance Project. The purpose of the project is to offer fair housing strategies which can be used by cities and counties that are recipients of Community Development Block Grant funds. Representatives from the Department will be meeting with broad groups of leaders in targeted areas, including elected officials at the county and/or the municipal level, as well as those representing the corporate, education, labor, industry, religious, and community sectors.

Review of Departmental Relocation Policies. The Department has begun a comprehensive review of relocation policies implemented under the 1969 Uniform Relocation Act. The main objective of the review, which is the first since the Act became effective, is to determine whether present policies actually provide assistance to families and individuals displaced by governmental action without providing unnecessary or unneeded assistance. The review will determine the need for legislative amendments in addition to changes, if appropriate, in Departmental regulations.

A related aspect of the review of relocation policies involves consultation with the Small Business Administration (SBA) to explore possible new ways of assisting business which often are adversely affected when they are displaced under programs receiving HUD assistance.

Visit to Atlanta. An invitation to address a breakfast sponsored by Central Atlanta Progress provided an opportunity for me to visit Atlanta this week -- my first official trip outside Washington as Secretary of HUD. The Atlanta visit included a tour of public housing and rehabilitation projects and a sidewalk encounter with a group of demonstrators. At a later meeting, leaders of the demonstration discussed their concerns with me, including the need for economic and racial mixes in public housing. Press coverage of my visit and my handling of the demonstrators was very favorable.



Patricia Roberts Harris



THE PRESIDENT HAS SEEN.

THE SECRETARY OF THE INTERIOR  
WASHINGTON

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February 18, 1977

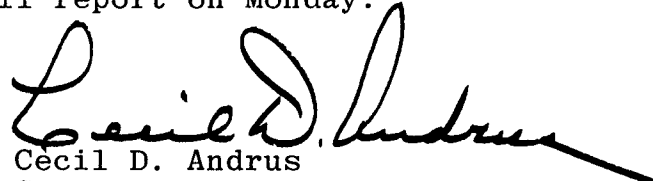
MEMORANDUM TO THE PRESIDENT

From : Secretary of the Interior

Subject : Major Topics for the Week of February 14

- We still do not have nominations completed for any positions except Secretary. Some have been in since January 23, 1977.
- Preliminary natural gas investigation has been completed and we will proceed with a more comprehensive investigation of all the fields in the Gulf of Mexico. It would be difficult to prove, but my suspicion is that companies have not developed the OCS resources as they should, waiting for a better price. Every indication is there.
- Federal Judge Weinstein's order canceling the Atlantic OCS sale will decrease our revenues by \$1.13 billion if it stands.
- Jim Schlesinger and I have completed our discussions on the new DOE and have resolved all questions satisfactorily.
- I believe that you made the right decision on the water projects. My list of deletions was expanded from four to eight. The people will get the message and although the political consequences will be considerable, they can be overcome.
- I will discuss the drought situation with Western Governors this weekend and will report on Monday.

**Electrostatic Copy Made  
for Preservation Purposes**

  
Cecil D. Andrus  
Secretary

THE WHITE HOUSE  
WASHINGTON

February 21, 1977

Stu Eizenstat  
Jack Watson

The attached is forwarded to you  
for your information.

Rick Hutcheson

Re: Sec. Adams' memo Regarding  
Discussion of St. Lawrence  
Seaway Tolls With Prime Minister  
Trudeau.

THE WHITE HOUSE  
WASHINGTON

CC

STY

JACK



THE WHITE HOUSE

WASHINGTON

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February 16, 1977

ACTION

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT  
KURT SCHMOKE

Stu

SUBJECT:

Secretary Adams' Memo Regarding  
Discussion of St. Lawrence Seaway  
Tolls With Prime Minister Trudeau

BACKGROUND

In his February 11 memo the Secretary of Transportation recommends that you indicate the following to Prime Minister Trudeau: (a) that the U.S. does not agree to Canada's request to unilaterally adjust tolls at Welland Canal, and (b) that the U.S. will negotiate in good faith with the view of increasing St. Lawrence Seaway/Welland tolls. The memo points out that the Departments of State and Transportation are jointly undertaking current discussions.

At a February 14 meeting in Washington the State Department explained the U.S. position on Welland to Canadian government representatives. The policy explained was essentially the position suggested to you by the Adams memo.

RECOMMENDATION

We concur with Secretary Adams' recommendations, however, you should indicate your awareness of the fact that the Department of State has already communicated these recommendations to Canada as U.S. policy.

Relevant statutes state that "to the extent possible" public hearings should be held before St. Lawrence Seaway tolls or charges are changed. You should instruct DOT to hold these hearings once a tentative agreement has been reached with Canada. Toll increases are likely to be received better by those affected if we insure public participation in the decision making process.

DECLASSIFIED

Per: Pac Project

ESDN: NLC-126-620-1-2

BY: Q NADA, DATE 12/18/12

THE WHITE HOUSE  
WASHINGTON

February 18, 1977

MEMORANDUM FOR: THE PRESIDENT  
FROM: JACK WATSON *Jack*  
RE: MEMORANDUM FROM SECRETARY ADAMS ON  
POSSIBLE DISCUSSION OF THE ST. LAWRENCE  
SEAWAY TOLLS WITH CANADIAN PRIME MINISTER  
TRUDEAU

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I am attaching Brock Adams' memorandum on the St. Lawrence Seaway Tolls along with an evaluation of his proposal from the Department of State.

Attachment



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

FEB 11 1977

ACTION

MEMORANDUM FOR THE PRESIDENT

Subject: Possible Discussion of the St. Lawrence Seaway Tolls with Canadian Prime Minister Trudeau

Issue:

As you know, the St. Lawrence Seaway is the U.S.-Canadian waterway which provides Great Lakes ports access to the Atlantic Ocean. By agreement, tolls are collected for the use of the Seaway facilities. A recent Canadian diplomatic initiative seeks removal of the Welland Canal from the 1959 St. Lawrence Seaway Toll Agreement. That agreement between the Department of Transportation's Saint Lawrence Seaway Development Corporation and Canada's St. Lawrence Seaway Authority was ratified by an exchange of diplomatic notes. It includes both the Montreal-Lake Ontario (St. Lawrence River) section of the Seaway, in which both the countries have operating responsibilities, and the Canadian Welland Canal which bypasses Niagara Falls between Lakes Erie and Ontario. The 1959 Agreement has no termination provision; a one year notice of intent to terminate is standard international practice. Canada has intimated it would consider giving such notice if progress toward a new toll agreement is not discerned by late February.

Tolls on the St. Lawrence River section of the Seaway have remained the same since that section opened in 1959 in spite of several attempts by Canada to have them increased. The historical unwillingness of the U.S. to agree to a toll increase no doubt prompted Canada to initiate the present discussions on the diplomatic level rather than with the Seaway Corporation which has statutory responsibility for such negotiations. The two Departments, State and Transportation, are jointly undertaking the current discussions.

DOT Recommendation:

The Department of Transportation recommends that the President indicate to Prime Minister Trudeau that the United States is prepared to negotiate with Canada under the terms of the existing 1959 Agreement. This would entail indicating that the United States does not agree to Canada's request to proceed with the unilateral assessment of tolls at the Welland Canal, but that we would negotiate in good faith with the view of substantially raising St. Lawrence Seaway/Welland tolls provided they are structured so as to have minimal impact on U.S. cargoes and that the U.S. maintains appropriate participation in revenues. The alternative would be to accede to the Canadian request. This would in effect make all U.S. traffic between Great Lakes ports and the high seas subject to unilateral Canadian pricing practices.

Attachment

Brock Adams



### Background:

The Seaway has traditionally been an extremely emotional political issue among Great Lakes Senators and Congressmen of both parties who feel the Seaway is discriminated against since there are no user charges on other U.S. waterways. In 1970 the financial requirements of the U.S. Corporation were met by legislatively eliminating interest on the outstanding debt. This legislation was enacted through the efforts of the Vice President, then a Senator from Minnesota, and other Great Lakes Senators to forestall the need for a Seaway toll increase. There is no practical legislative solution to the current problem. Even if the Seaway Corporation were to be funded entirely from appropriated funds, complete removal of the U.S. requirement to assess tolls would only free Canada to proceed unilaterally; Seaway tolls would then be set without U.S. participation and their impact on commerce would be no less severe.

The joint tolls on the international section have remained at the level of 90¢ per ton of general cargo, 40¢ per ton of bulk cargo, and 4¢ per gross registered ton of the vessel since 1959. Revenues from these tolls are shared under a negotiated division of 27% U.S.; 73%, Canada.

The Saint Lawrence Seaway Development Corporation will need additional revenues if it is to continue to meet its statutory obligation to pay its operating costs and retire its bonded indebtedness as scheduled. The Corporation needs to increase its income on the order of 50% beginning in 1978 so as to meet its minimum needs during the following four years.

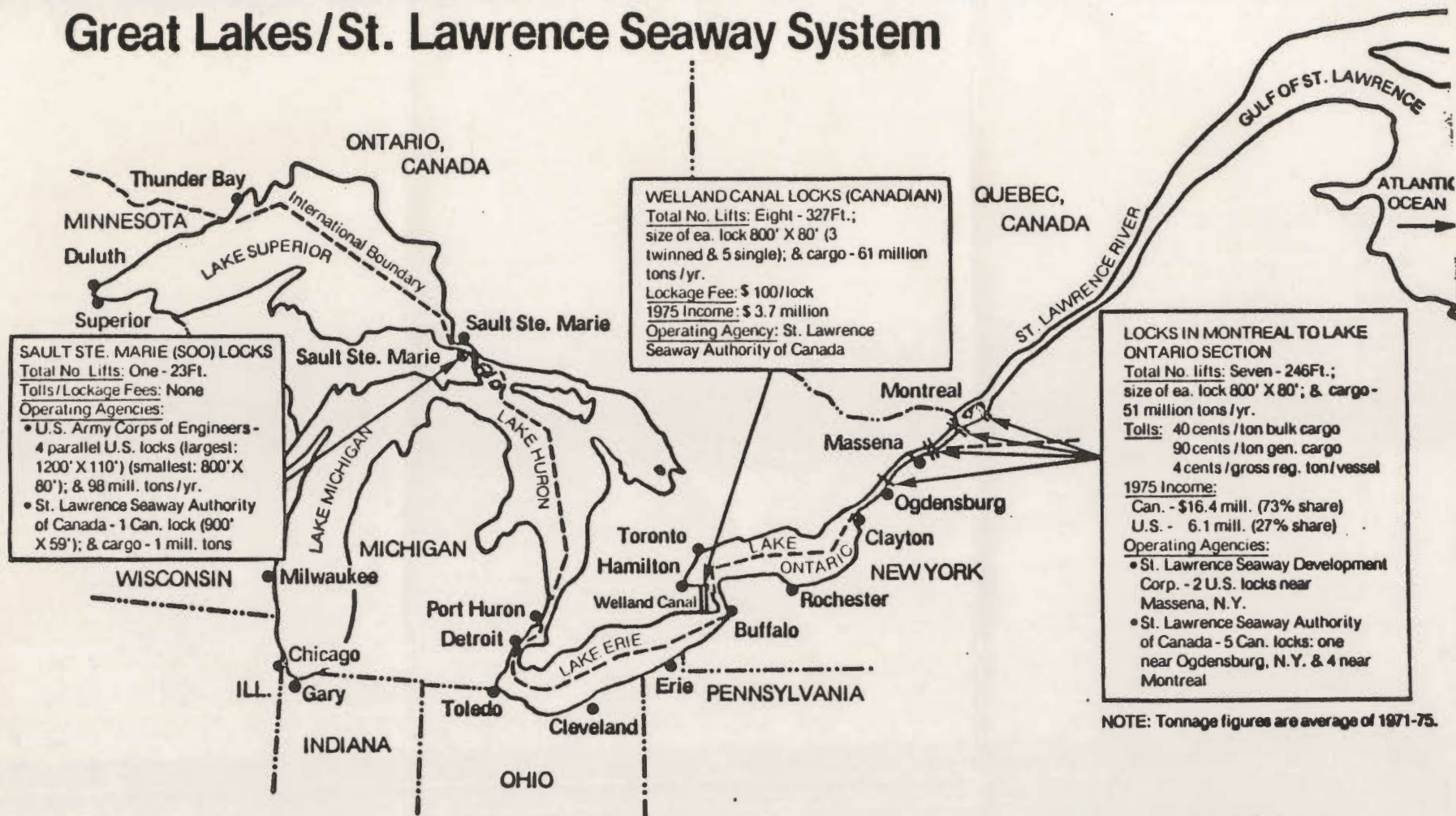
The principles governing the establishment of rates are set out in the Seaway Corporation's enabling legislation (33 USC 988). This statute provides that, among other things, the rates charged by the Corporation shall be fair and equitable; that they vary according to the character of the cargo; that they cover, as nearly as practicable, all costs of operation and maintenance; and that they provide revenues sufficient for debt service.

The Canadian Seaway Authority has permissive legislation under which it may assess tolls for the use of its facilities. Although Canada shares in toll revenues on the Montreal-Lake Ontario section, at present it collects only a nominal lockage charge (\$100 for each of eight locks) for use of the Welland. Canada suspended a minor toll on Welland cargo in 1962.

The Seaway Corporation's initial analysis indicates that there is room for a substantial toll increase without having a major negative impact on most U.S. cargoes. It is felt a few commodities, such as corn and soybeans, could be impacted negatively; but through a commodity tariff this impact could be minimized. The major U.S. Seaway ports are all situated above the Welland Canal and would therefore feel the full impact of any unilateral Canadian increase on that facility.



# Great Lakes/St. Lawrence Seaway System



NOTE: Tonnage figures are average of 1971-75.

Mileages: Duluth to Sault Ste. Marie - 394  
 Sault Ste. Marie to Port Huron, Mich. - 269  
 Port Huron to Welland Canal - 575  
 Welland Canal to Clayton, N.Y. - 186  
 Clayton to Montreal, Canada - 189  
 Montreal to Gulf of St. Lawrence - 425



## DEPARTMENT OF STATE

Washington, D.C. 20520

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February 16, 1977

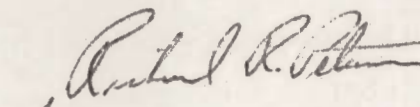
CONFIDENTIALMEMORANDUM FOR DR. ZBIGNIEW BRZEZINSKI  
THE WHITE HOUSE

Subject: Request for Comments and Recommendations on  
Memorandum from Secretary Adams Regarding  
Possible Discussion of the St. Lawrence  
Seaway Tolls with Prime Minister Trudeau

Ref: Mr. Watson's Memorandum of February 14, 1977

The Department of State, in fulfilling its primary responsibility for responding to a Canadian request for negotiations concerning the toll structure on the St. Lawrence Seaway, has worked closely with the Department of Transportation in developing the U.S. position. We fully concur in Secretary Adams' memorandum which sets forth the basic points of that position. They are: 1) we are prepared to negotiate with Canada toward higher tolls; 2) we are not prepared to agree to removal of the Welland Canal from the St. Lawrence Seaway Tariff of Tolls; 3) any new tariff structure must have a minimal impact on U.S. cargoes.

This basic position is reflected in the talking paper prepared for the President's use with Prime Minister Trudeau, a copy of which is attached. The paper was prepared by State and cleared by Transportation.

  
for C. Arthur Borg  
Executive Secretary

Attachment:

Talking paper.


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Per, Rac Project

ESDN: NLC-176-620-1-2

BY  DATE 12/18/12



CONFIDENTIAL

ST. LAWRENCE SEAWAY TOLLS

THE ISSUE

We recently agreed to a Canadian request for negotiations on St. Lawrence Seaway tolls. Canada seeks to remove the Welland Canal from the joint U.S.-Canada tariff of tolls, and to increase tolls on the international section of the Seaway so that revenue will cover costs. We are prepared to negotiate toward increased tolls, but we believe the Welland Canal should remain in the joint toll structure.

BACKGROUND

The International Section of the St. Lawrence Seaway, consisting of two American and five Canadian locks on the St. Lawrence River, was opened in 1959. A joint tariff of tolls for its use was established by international agreement. The joint tariff included Welland Canal tolls (Lake Erie to Lake Ontario), even though the Canal lies entirely in Canada and was constructed before the Seaway. Seaway revenues are shared by the two countries, while Welland Canal revenues accrue entirely to Canada.

The Canadian Government has formally requested renegotiation of the 1959 Agreement on tolls. Specifically, Canada seeks removal of the Welland Canal from the Agreement and establishment of an annual review process for tolls on the international section. (At present Canada sustains large annual deficits on the Welland and the Seaway, and the U.S. Seaway Development Corporation also faces the likelihood of deficits in the near future.) Canada sees achievement of its objectives in these negotiations as essential to implementation of its national transportation policy, in which the principle of "user pay" is central. The Canadians say they are prepared, if negotiations fail, to give unilateral notice of termination of the 1959 Agreement.

The U.S. is prepared to consider increasing tolls on the Seaway if the objective of generating more revenue is balanced by the need to minimize diversion of traffic to competing transportation modes. However, the Welland Canal

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Per: Rac Project  
ESDN: NLC-26-6-2012  
BY: Q NADA DATE 12/18/12

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is an essential link in the Great Lakes/St. Lawrence River system, and it is important that we strive to maintain a voice in its toll structure. Any other solution would be viewed in the U.S. as acquiescence in Canadian control of the system.

TALKING POINTS

-- We recognize that continuing large deficits on the Welland Canal and the Seaway are a political problem in Canada, and we are prepared to negotiate in good faith toward raising tolls.

-- We regard the Welland Canal as an integral part of the St. Lawrence Seaway/Great Lakes system, and we feel strongly that tolls charged for its use should remain part of the joint tariff.

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THE WHITE HOUSE  
WASHINGTON

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ACTION TO:EUR

COPIES TO:

February 14, 1977

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MEMORANDUM TO:

STUART EIZENSTAT  
HAMILTON JORDAN  
ROBERT LIPSHUTZ  
FRANK MOORE  
JODY POWELL  
SECRETARY VANCE ✓

FROM:

JACK WATSON *dw*

RE:

MEMORANDUM FROM SECRETARY ADAMS  
REGARDING POSSIBLE DISCUSSION OF  
THE ST. LAWRENCE SEAWAY TOLLS WITH  
PRIME MINISTER TRUDEAU

I would appreciate having your comments and  
recommendations on the attached memorandum by c.o.b.  
Wednesday, February 16th.

Thanks.

Attachment



THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

FEB 11 1977

ACTION

MEMORANDUM FOR THE PRESIDENT

Subject: Possible Discussion of the St. Lawrence Seaway Tolls with Canadian Prime Minister Trudeau

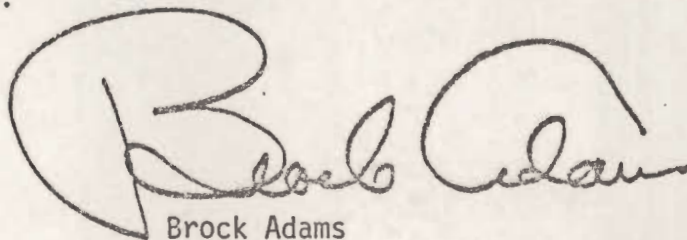
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Brock Adams

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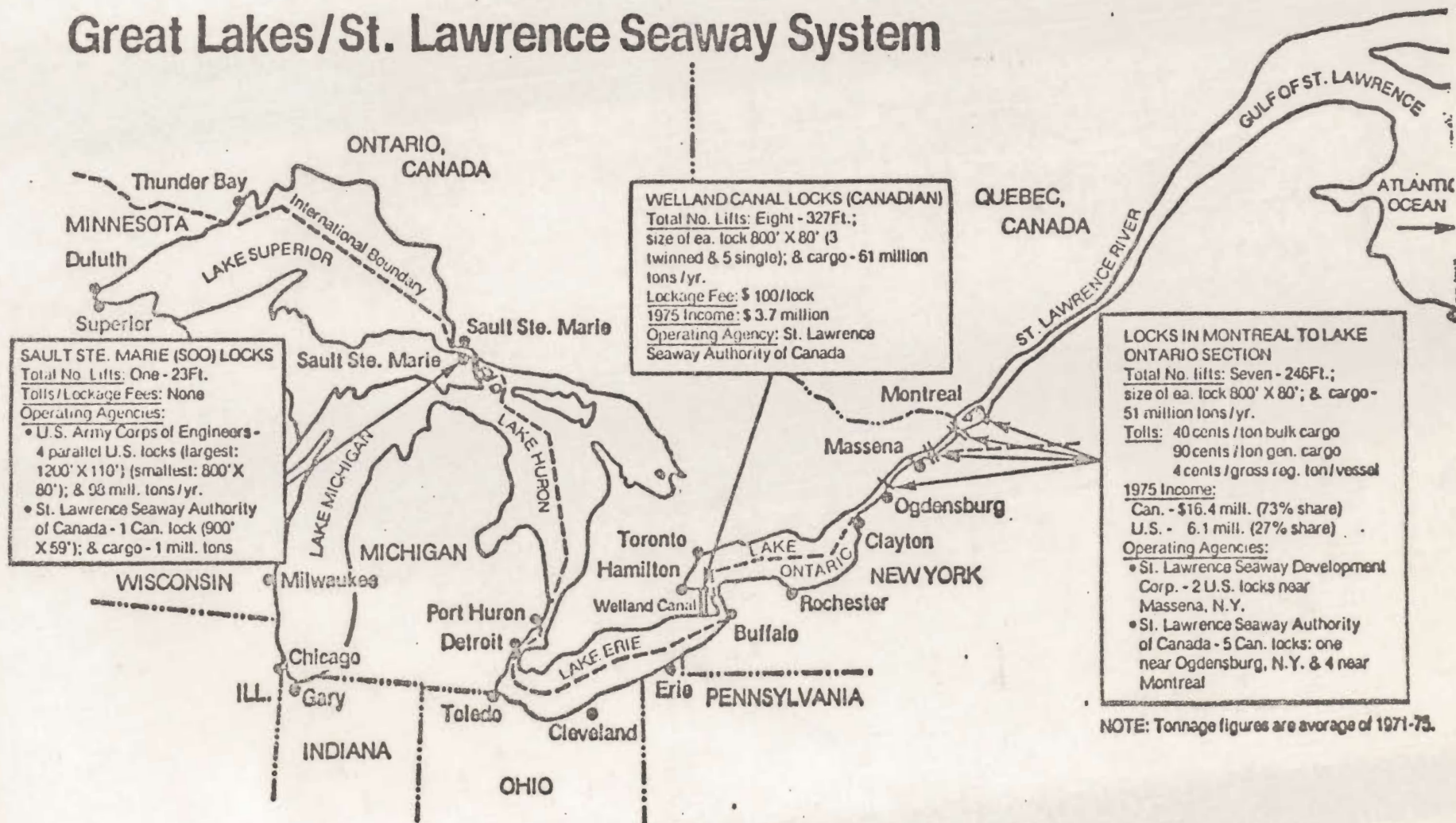
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